Trade Deficit

461. SHRI VITHALRAO MADHAV-RAO JADHAV:

SHRI BHUVNESH CHATUR-VEDL

Will the Minister of COMMERCE be pleased t_0 state the steps Government propose to take during 1991-92 to meet the trade deficit?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SHANTILAL PURUSHOTTAMDAS PATEL): Government has set up an Empowered Committee of Secretaries on Balance of Payments to monitor the performance on export front and to explore possibilities of providing additional exports with a small subsidy element, mainly in he fotrm of CCS. Intensive discussions are taking place with exporters in all the major sectors t_0 explore possibilities of creating additional exports. Special efforts hav_e been made t_0 bolster agricultural exports by removing administrative bottlenecks and ensuring credit availability. Efforts have also been made to identify additional exports to take advantage of increases in domestic production in some areas. Export Promotion Councils have been requested to initiate steps to maintain the $temp_0$ of exports by exploring alternative market to those affected by Gulf crisis. Indian Missions in the Gulf region have been requested to identify items of export for which

demand would have increased as a result of outbreak of war. Given the uncertainties in the world trading environment, we have initiated intensive bilateral discussion to boost exports. A beginning of this process has been made with the visit of a high level delegation led by Commerce Minister to China. Simultaneously, efforts have also been mad_e to curtail the non-essential and low priority imports.

Representations regarding ban on communal parties etc.

462. DR. BAPU KALDATE:
SHRI A. G. KULKARNI:
SHRI VISHWASRAO RAMRAO PATIL:

Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Election Commission has received representations regarding ban on communal parties for submission of false affidavits to get recognition for political parties and about deficiencies in Anti-defection Law; and

(b) if so, what is the number thereof and the action taken therecn?

THE MINISTER OF COMMERCE WITH ADDITIONAL CHARGE OF THE MINISTRY OF LAW AND JUS TICE (DR. SUBEAMANIAN SWAMY): (a) and (b) The Election Commission is stated to have received 26 representations during the period from 1st January, 1989 to 26th Feb ruary, 1991 regarding ban on Com munal parties, though the Commission is not empowered to ban any party on any ground. As per the Commis sion none of the representations is based on the ground that false affida vits have been submitted by political partiers for securing recognition. The Commission is also not competent to deal with the deficiencies in the anti-defection laws though it received one representation in that behalf.

Suspension of export items due to Gulf Crisis

463. SHRI KRISHNA KUMAR BIRLA: SHRI RAJNI RANJAN SAHU: SHRI SHIV PRATAP MISH-RA. SHRI S. K. T. RAMACKAND-RAN:

Will the Minister of COMMERCE be pleased to state:

(a) what are the major export $item_s$ which stand suspended following the Gulf crisis;

(b) what is the estimated loss in export earnings (in foreign exchange) as a result thereof;

(c) what is its verall impact on the exporters of these items; and

(d) in what manner Government propose to meet the situation?

THE DEPUTY MINISTER IN THE MINISTRY OP COMMERCE (SHRI SHANTILAL PURUSHOTTAMDAS PATEL). (a) and (b) In view of the UN Securiy Council reolution imposing economic sanctions against Iraq and Kuwait, trade with these countries has been banned. Prior to the ban on trade, major items exported to these countries included enineering goods, rice, tea, spices, textiles, processed foods etc. Estimated loss on account of markets of Iraq and Kuwait i_s about US $ 200 million for the year 1990-91.

(c) During 1989-90 exports to Iraq and Kuwait were only 1. 17 per cent of India's global exports. Impact on exporters as a direct result of loss of these markets is, therefore, not expected to be severe.

(d) Som_e of the important measures, taken ar_e the following: —

(i) An inter-Ministerial Empowered Cmmittee has been constituted to resolve the problems of exporters to the Gulf countries. This Committee took a number of decisions to facilitate continuance of exports to the Gulf region, outside Iraq and Kuwait.

(ii) Export Promotion Councils have been requested to initiate steps to maintain the tempo of exports by exploring alternative markets for their products.

:

(iii) Indian Embassies in the Gulf region were asked to identify the potential areas for stepping up exports in a big way. Feedback receive ed from our Missions was disseminated to the Export Promotion Council's/ Commodity Boards.

NRIS investments **in the country**

464. SHRI KRISHNA KUMAR BIRLA:
SHRI SANTOSH BAGRO-DIA: SHRI KRISHAN LAL SHARMA:

Will the Minister of FINANCE be pleased to state:

(a) what are the details of, Government's plan to attract maximum investments from NRIs for speedy development of the country;

(b) what are the areas offered to NRIs for direct investments in the country;

(c) what is the nature of the NRI proposals (with total investment) approved by Government during 1989-90 and 1990-91 till date;

(d) what are the areas|investment, schemes where NRI response has not been according to expectations;
and

(e) what steps Government propose to take in this regard?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) A large number of schemes facilities were announced in 1982 to attract NRI investments. Besides investing in Indian companies' share debentures under the portfolio investment scheme through recongnised stock exchanges, NRIs are also allowed to invest dir ectly in indurtries in India, either on repatriation basis under the 40 per cent, 74 per cent or 100 per cent schemes or on a no-repatriation basis provided Indian companies are not engaged in agricultural, plantation activities and also do not carry on real estate business for commercial purposes. .. ▮